

**ALASKA STATE LEGISLATURE
HOUSE RESOURCES STANDING COMMITTEE**

March 8, 2021

1:01 p.m.

MEMBERS PRESENT

Representative Josiah Patkotak, Chair
Representative Grier Hopkins, Vice Chair
Representative Zack Fields (via teleconference)
Representative Calvin Schrage
Representative Sara Hannan
Representative George Rauscher
Representative Mike Cronk (via teleconference)
Representative Ronald Gillham
Representative Tom McKay

MEMBERS ABSENT

All members present

COMMITTEE CALENDAR

OVERVIEW(S): DEPT. OF ENVIRONMENTAL CONSERVATION BY COMMISSIONER
JASON BRUNE

- HEARD

HOUSE JOINT RESOLUTION NO. 12

Urging the United States Department of the Interior, Bureau of Land Management, to honor the recent lease sales and proceed with permitting in the Arctic National Wildlife Refuge; urging the President of the United States to defend the 2020 Record of Decision approving the Coastal Plain Oil and Gas Leasing Program in the Arctic National Wildlife Refuge; opposing designation of the Arctic National Wildlife Refuge as a National Monument; and urging the Alaska delegation in Congress to uphold sec. 20001 of the Tax Cuts and Jobs Act of 2017.

- HEARD & HELD

PREVIOUS COMMITTEE ACTION

BILL: HJR 12

SHORT TITLE: ENDORSING ANWR LEASING; RELATED ISSUES

SPONSOR(S): REPRESENTATIVE(S) RAUSCHER

02/18/21	(H)	READ THE FIRST TIME - REFERRALS
02/18/21	(H)	RES, STA
02/19/21	(H)	STA REFERRAL REMOVED
02/19/21	(H)	BILL REPRINTED
03/01/21	(H)	RES AT 1:00 PM BARNES 124
03/01/21	(H)	-- Testimony <Invitation Only> --
03/03/21	(H)	RES AT 1:00 PM BARNES 124
03/03/21	(H)	-- Public Testimony --
03/08/21	(H)	RES AT 1:00 PM BARNES 124

WITNESS REGISTER

JASON BRUNE, Commissioner

Department of Environmental Conservation (DEC)

Anchorage, Alaska

POSITION STATEMENT: Co-provided a PowerPoint presentation titled "Department of Environmental Conservation," dated 2/26/21 [hard copy included in the committee packet].

EMMA POKON, Deputy Commissioner

Office of the Commissioner

Department of Environmental Conservation (DEC)

Anchorage, Alaska

POSITION STATEMENT: Co-provided a PowerPoint presentation titled "Department of Environmental Conservation," dated 2/26/21 [hard copy included in the committee packet].

KARA MORIARTY, President and CEO

Alaska Oil and Gas Association (AOGA)

Anchorage, Alaska

POSITION STATEMENT: Testified in support of HJR 12.

TOM WALSH, Past President (2020)

Alaska Support Industry Alliance

Anchorage, Alaska

POSITION STATEMENT: Testified in support of HJR 12.

KATI CAPOZZI, President & CEO

Alaska Chamber of Commerce

Anchorage, Alaska

POSITION STATEMENT: Testified in support of HJR 12.

MARLEANNA HALL, Executive Director

Resource Development Council for Alaska (RDC)

Anchorage, Alaska

POSITION STATEMENT: Testified in support of HJR 12.

MATTHEW REXFORD, President
Kaktovik Inupiat Corporation;
Tribal Administrator,
Native Village of Kaktovik
Kaktovik, Alaska

POSITION STATEMENT: Testified in support of HJR 12.

ACTION NARRATIVE

[1:00:52 PM](#)

CHAIR JOSIAH PATKOTAK called the House Resources Standing Committee meeting to order at 1:01 p.m. Representatives McKay, Fields (via teleconference), Cronk (via teleconference), Hopkins, Rauscher, Hannan, Gillham, Schrage, and Patkotak were present at the call to order.

OVERVIEW(S): Dept. of Environmental Conservation by Commissioner Jason Brune

[1:01:55 PM](#)

CHAIR JOSIAH PATKOTAK announced that the first order of business would be an Overview of the Department of Environmental Conservation by Commissioner Jason Brune.

[1:02:20 PM](#)

JASON BRUNE, Commissioner, Department of Environmental Conservation (DEC), co-provided a PowerPoint presentation titled "Department of Environmental Conservation," dated 2/26/21 [hard copy included in the committee packet]. He began on slide 2 with a highlight of DEC's mission, which is to conserve, improve, and protect Alaska's natural resources and environment to enhance the health, safety, economic, and social well-being of Alaskans. He moved to slide 3 and outlined DEC's values that he and his directors formed at the administration's outset: objectivity, accountability, integrity, collaboration, and customer service. He turned to slide 4 and pointed out that women comprise over 80 percent of DEC's leadership team, and the team has over 100 years of state service.

COMMISSIONER BRUNE displayed slide 5 and stated that what DEC does can be summarized in five divisions. He said the Division of Administrative Services runs the organization and the divisions of Air Quality, Spill Prevention and Response (SPAR),

Water Quality, and Environmental Health are the department's four environmental focus areas.

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COMMISSIONER BRUNE moved to slide 6 and related that Governor Dunleavy wants to show that Alaska is open for business, can work with the regulated community, and resource extraction and the protection of human health are not mutually exclusive. Alaska's economy is completely dependent on resource extraction, he said, so it's important that the department is partnered with the regulated community to ensure economic development while concurrently protecting human health and the environment. The department is focused on providing predictable, timely, and science-based permits for the regulated community. This is important for ensuring and sending the message that Alaska is open for business and that there is predictability for the investment and regulated communities. Also important is for DEC to have partnerships with local governments, Alaska Native corporations, businesses, and other organizations.

COMMISSIONER BRUNE addressed DEC's three main goals for 2021, as depicted on slide 7. He said the first goal is to protect human health and the environment by controlling water, land, and air pollution. To do this DEC is looking at the processes and relationships that it has with the regulated community and determining what is slowing down the issuance of permits and how the regulations can be improved. The second goal is to improve employee retention in the department and develop employees. Upon becoming commissioner two years ago he learned that over 25 percent of DEC's employees didn't have active evaluations and the turnover rate was 20-30 percent. An objective was set to cut the turnover rate in half this year. When looking at providing timely, science based, legally defensible permits, it must be assured there is the longevity of staff to be able to finish those permits in a timely manner. The department wants to ensure that evaluations, personal development plans, and training plans are put in place, so employees see a future for themselves at DEC. The department will track, encourage, and fund the training of staff. Ultimately DEC is making it so that its relationship with the development community is going to be extended relationships with DEC employees. The third goal is to leverage technology and workflow improvements to create efficiencies, reduce DEC's environmental footprint, and increase the transparency and visibility of DEC's efforts. This can be done by using drones, virtual inspections, and increasing transparency with the public so the public can see the comments

that DEC has received from the conservation community, development community, and public in general. To become as efficient as possible, a process has been put in place to meet on a weekly basis to ensure that DEC's administrative functions are done in a way that best spends state resources but doesn't duplicate efforts.

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REPRESENTATIVE HOPKINS shared that he has heard from department employees that it is good working for Commissioner Brune. He offered his congratulations to Ms. Emma Pokon for her promotion to deputy commissioner. He said he looks forward to employee longevity at DEC.

COMMISSIONER BRUNE stated that 95 percent of the people working at DEC will be there after he and Ms. Pokon leave, and fostering them is important so they can continue doing their great work.

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COMMISSIONER BRUNE spoke to the outline on slide 8 of DEC's hot topics for 2021. Regarding the hot topic of COVID, he said the past year of 2020 cannot be discussed without talking about COVID. Regarding the Division of Air Quality, the hot topics are PM 2.5 [the Fairbanks Particulate Matter 2.5 (PM 2.5) Nonattainment Area] and the Greenhouse Gas Inventory. Regarding the Division of Spill Prevention and Response (SPAR), the hot topics are PFAS [per-and polyfluoroalkyl substances] and the Prevention Account. Regarding the Division of Water, the hot topics are village safe water (VSW), the Integrated Report, tier 3 waters, transboundary waters, and commercial passenger vessels (cruise ships). Regarding the Division of Environmental Health, the hot topics are invasive species, the Yuck-line, and the issues in DEC's laboratory of dairy safety and mariculture. He invited committee members to raise other issues of concern with him or his deputy commissioner.

COMMISSIONER BRUNE turned the presentation over to Emma Pokon, DEC Deputy Commissioner. He said Ms. Pokon came to DEC from the Department of Law (DOL) and that for a number of years she worked at the North Slope Borough and lived in Barrow.

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EMMA POKON, Deputy Commissioner, Office of the Commissioner, Department of Environmental Conservation (DEC), displayed slide 9 and discussed COVID impacts. She specified that about 75 percent of DEC's employees are currently teleworking in an effort to protect staff and the community as a whole. The department has been able to accomplish its mission and do its work even with employees working remotely.

MS. POKON said fieldwork safety guidelines have been instituted given there are still instances in which employees must go into the field, such as for providing support to facilities or for inspections. Guidelines are in place for DEC's compliance and enforcement group to help reduce COVID risk as much as possible.

MS. POKON related that DEC has provided reasonable accommodation to permittees. She noted DEC has always had enforcement discretion in how to implement its various programs. Much thought was given on how to implement that discretion in the context of a pandemic and the challenges that facilities are facing. For example, some permits require a permittee's employees to have updated certifications for, say, visible emissions monitoring every six months and in-person training. Those trainings were cancelled because of the pandemic, and DEC didn't want to penalize permittees for requirements that are literally impossible for them to comply with in the context of the pandemic. Flexibility and working with permittees was necessary, so DEC had a need for increased communication from permittees regarding their challenges and why compliance couldn't get done.

MS. POKON explained that virtual inspections are a way to protect staff and communities. She related that many communities have a concern about people coming in from outside and potentially being vectors for COVID. The department moved forward with some of the things that it already had in the works for doing inspections remotely, such as via FaceTime. A lot can be told from video inspections of a facility and this has been a success. A number of these have been done and DEC has worked with the Environmental Protection Agency (EPA) and other states to refine its processes and ensure it is providing meaningful regulatory oversight using this as a tool. The thought is that this will be a tool going forward; not a replacement for in-person inspections, but something that will help DEC get to more facilities more frequently and prioritize which facilities DEC needs to go to in-person to provide effective oversight.

MS. POKON stated that DEC evaluated its existing workload and how it could best contribute to the state's response to the pandemic as a whole. She said the Division of Environmental Health identified places where it could contribute to the state's efforts. Folks reviewed the workplace safety plans and a virologist was loaned to the Department of Health and Social Services (DHSS), so DEC was thinking about how to accomplish its own mission as well as contribute to the state's effort.

MS. POKON noted that DEC worked with the [University of Alaska Anchorage] to pilot surveillance testing of wastewater [for COVID]. She informed members that national news reported COVID showing up in wastewater streams, allowing testing of a limited population for the presence of COVID even when no individuals had yet tested positive. The department helped the university get started on examining this method as a tool in Alaska.

MS. POKON discussed DEC's statewide online public comment system and digitizing files. With so much of DEC's workforce working remotely, she explained, the need arose to get things even more into the modern era. While the public has always been able to submit comments electronically via email, the new format, SmartComment, accepts comments electronically and puts them on a platform where the public can see those comments in real time. The department has helped the rest of the state to get on this as well. Digitizing files allows employees working remotely to be able to access the material they need to do their jobs. The department is learning how to adjust its processes to accommodate working remotely.

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REPRESENTATIVE HANNAN inquired about virtual inspections in relation to those inspections that require the taking of lab samples; for example, sampling a drain for bacterial growth at a fish processing plant. She asked who was responsible for taking those samples at a site inspection or whether those were delayed, and only visual inspections done.

MS. POKON replied she is not familiar with the specifics of how DEC handles the samples. She said many facilities must send in samples on a recurring basis, and those requirements have not been waived. For the virtual inspections, a lot of preparation was done to ensure that DEC had all paperwork in order, and while the inspector wasn't there to take samples in person, sending them into the lab is always an option.

REPRESENTATIVE HANNAN asked what the plan is for continuation of site inspections during this current year; for example, fish processing plants and restaurants. She said she wants to make sure that the state's inspectors are being allowed onsite to gather the lab samples themselves so that not only is the counter that's always been clean being inspected, but also the counters that have been forgotten to be cleaned.

MS. POKON replied that DEC recognizes virtual/remote inspections are not going to be a replacement for onsite visits and for getting DEC's inspectors onsite. The department is working with the EPA, the Food and Drug Administration (FDA), and other federal authorities that provide grant funding or that oversee primacy programs to make sure DEC's inspections fulfill their requirements as well. For the coming year everything is uncertain as vaccines are rolled out, so she doesn't want to make any representations about concrete plans because those will evolve as the pandemic response evolves.

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MS. POKON returned to her presentation and discussed slide 10, titled "Air: Supporting Primacy Under the Clean Air Act." She explained DEC has implemented the federal Clean Air Act via primacy programs for nearly 50 years. These programs assess air quality, prevent deterioration of air quality, and address pollution problems within Alaska when they do develop. The department developed an Alaska Air Quality Control Plan, which it implements [and maintains to meet federal requirements]. The primacy programs provide value to the state by ensuring that it's Alaskans who are implementing these programs and that the folks directly overseeing compliance have the context and understanding of local conditions.

MS. POKON spoke to slide 11, titled "Improving Fairbanks Air Quality." She reported that Fairbanks has been a nonattainment area for fine particulate matter for some time. The pollution becomes unhealthy during parts of the year, so DEC has been working with Fairbanks and improvements are being seen. Due to measures put in place during the last planning process there is the possibility of attainment by 2024.

MS. POKON reviewed the graph on Slide 12, titled "Alaska Greenhouse Gas Inventory." She said the inventory was completed in 2015 and this coming year the Division of Air Quality will be updating its inventory of Alaska sources. The department will

use the data for climate change conversations expected to take place in the near future.

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COMMISSIONER BRUNE informed the committee that the entire team of DEC directors is typing text messages to him and Ms. Pokon with answers to questions. He elaborated on the answer to Representative Hannan's question, explaining that samples are not typically collected during environmental health inspections, and that includes pre-COVID. For the water team, the benchmark for inspections for calendar year 2020 was 232 inspections, and 231 were actually completed. The benchmark for calendar year 2021 is 290, and it's likely that 330 inspections will be done. The Clean Air Act and the Clean Water Act are self-reporting Acts delegated to the state from the federal level. Samples from [regulated] entities are usually collected and tested by third parties and the data provided to DEC, and this has not changed. If entities were unable during COVID to get folks out, DEC absolutely understood and ensured that that was documented. More and more, however, third parties have been able to get out there and collect samples, so the entities are able to comply with their permit requirements.

COMMISSIONER BRUNE continued the presentation. Moving to slide 13, titled "Responding to PFAS," he explained that all sorts of items contain PFAS, such as Teflon pans, clothing, and wrappers from McDonalds. These chemicals are used to repel oil and grease. In Alaska, PFAS are found in aqueous film forming foam (AFFF), [a fire suppressant used] at every state certified airport for putting out high temperature fires to protect human health and property if a major accident occurs. Until recently, AFFF was required to be tested on an annual basis by each airport. It was found that the PFAS in AFFF were contaminating the drinking water supplies of many of those communities. The department worked with the legislature for funding and then put together a risk matrix where DEC identified what airports used and tested AFFF and whether it was done in close proximity to community drinking water supplies. The [EPA's] Lifetime Health Advisory is 70 parts per trillion (the equivalent of one drop in an Olympic-sized pool) of perfluorooctanesulfonic acid (PFOS) and perfluorooctanoic acid (PFOA), two of the 6,000 types of PFAS chemicals that have been found harmful to humans. Today's testing is able to accommodate somewhere between 18 and 25 PFAS chemicals by using two of the EPA-approved methodologies, either 537.1 or 533. Two years ago testing could only accommodate 5-8 PFAS chemicals, so technology is improving.

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COMMISSIONER BRUNE continued addressing slide 13. He said it's important for the public to know how people may be impacted by PFAS, so DEC has made it a point to be very transparent with the risk matrix and the airports and communities that were identified that could have been impacted. All the testing data received by DEC has been put on the website for the public to see. Even if the testing levels don't reach the [EPA's] Lifetime Health Advisory level of 70 parts per trillion (ppt), or the state's level of 400 ppt, it's still important for the public to understand what those levels are so they can make their own choices if the results are not at the levels that create the regulatory impact.

COMMISSIONER BRUNE informed members that DEC has seen PFAS contaminated soils throughout the state at airports and at military bases in Fairbanks. Also, he said, DEC has seen PFAS in the bio-solids at many wastewater treatment plants, and in some areas these bio-solids are composted and distributed in the community. The department wants to ensure it isn't overseeing a process where PFAS-contaminated compost is being distributed into communities. For example, DEC worked with the Fairbanks wastewater utility and testing showed a higher level of PFAS in their bio-solids, so distribution was stopped that year. It's unknown whether the compost of previous years included PFAS, but DEC wanted to ensure it wasn't being distributed any farther.

COMMISSIONER BRUNE pointed out that the question is what to do with this contaminated soil. He related that DEC had Dr. Andrew Gillespie, EPA's lead PFAS researcher, come to Alaska last year. The previous year DEC authorized an air permit to study what happens when PFAS contaminated soils are thermally treated to try to eliminate the PFAS from the soil. This study, done in partnership with EPA's Office of Research and Development, looked at whether the PFAS chemicals would switch from one media to another, in other words go from the soil into the air shed and then be deposited down the air shed and creating a new contaminated site. It was found that 99.99 percent of the 18-25 PFAS chemicals being looked at were destroyed and converted into hydrogen fluoride (HF). What is unknown is the other 5,000-plus PFAS that weren't looked for. The department looked at shipping the contaminated soil from Alaska to a landfill in eastern Oregon, but decided to come up with a local solution for this local problem, and that's DEC began looking at whether thermal treatment of the PFAS would work. The department is working

with Alaska Native corporations and other entities that are looking at remote opportunities for bringing thermal treatment of PFAS to rural Alaska. One Alaska Native corporation is looking at permitting a landfill in Alaska rather than shipping it to the Lower 48.

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REPRESENTATIVE HANNAN stated that PFAS has been a big concern for her and her constituents. She asked where DEC is at on the list of priority airports and evaluations in communities. She said she knows tests have yet to be done in all the communities where groundwater contamination is speculated. She further asked where DEC is at on the ability to address a solution. She stated she knows there hasn't yet been a solution in North Pole or Gustavus, and asked whether a solution has been identified for King Salmon, which was put on bottled water three years ago.

COMMISSIONER BRUNE responded that this issue is high priority. He said high priority airports were identified in cooperation with the Department of Transportation and Public Facilities (DOT&PF). He stated that every one of the high priority airports has been tested and that testing will begin on the middle and low priority airports. As additional data becomes available it will be put on DEC's website. If contamination levels exceed the EPA's Lifetime Health Advisory or DEC's regulation, the responsible parties must provide alternative drinking water to the communities. The responsible party in this case, DOT&PF, has provided alternative drinking water. In the North Pole area with the military, a water system is being put in as an alternative drinking source. The department works in tandem with the responsible party to address that need. Short-term needs are met through providing bottled drinking water, but long-term needs must also be addressed. To address the PFAS issue a couple years ago, the legislature provided \$9.4 million from the Oil and Hazardous Substance Release Prevention and Response Fund ("Response Fund") [also known as the "470 Fund" from the enacting legislation, House Bill 470 passed in 1986]. To date, less than \$1 million has been spent but DEC is working closely with DOT&PF, as the responsible party, to ensure that long-term solutions for sustainable alternative drinking water are provided.

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REPRESENTATIVE CRONK noted his district includes Moose Creek in North Pole. He related that in attending meetings during his

campaign, the people felt they had no say in what was going on. He offered his understanding that people received a letter from the U.S. Air Force stating that if they signed, then they would get a certain amount of money, their well would be decommissioned, and they would be charged \$60 per month for water. The people felt they didn't have the information, were left out of much of the information, had no voice, were being forced to sign and decommission their wells, and the water project was being put in. He said he didn't know whether this was a military issue only or whether it also involved DEC.

COMMISSIONER BRUNE replied that the ultimate responsibility falls on the responsible party for providing those alternative sources of water. He said he understands the concerns of people who have paid for a well and don't have any utility costs, but are suddenly told their well is contaminated, a utility is going to be built, and they will have a monthly expense. Compensation was given to local residents to offset some of those costs but it's not an offset in perpetuity. He pointed out that a person not wanting to sign the agreement can choose to negotiate an individual agreement with the responsible party.

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REPRESENTATIVE HOPKINS recalled that conversations were had last year about which of the PFAS chemicals were being tested for and the test results logged. He asked whether all the test results for all of the 18-25 PFAS chemicals are being stored on the DEC website or whether only a certain number of them are being stored on the website.

COMMISSIONER BRUNE answered that as much data as DEC can put on the website is put out there, and his understanding is that all of them are out there. If they're not, or it is heard that they are not, he will ensure they are placed there because that kind of transparency and opportunity for the general public to be informed is one of his highest priorities.

REPRESENTATIVE HOPKINS said he hasn't heard anything contrary to that, but was just following up from last year's conversation.

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COMMISSIONER BRUNE returned to his presentation. He skipped slide 14 and spoke to slide 15, titled "Spill Prevention and Response, An ounce of prevention is worth more than 260,000 barrels of response." He stated DEC wants to ensure that things

are in place to protect the environment so something like the Exxon Valdez oil spill never happens again. The contingency plans ("C plans") put together by DEC require very specific detail about how an entity might respond if there is an incident. Day-to-day prevention work within SPAR includes reviewing the C plans and making sure that those entities are able to respond. The Prevention Account is funded through a [surcharge of] \$0.04 per barrel of crude oil produced in the state, as well as a surcharge of \$0.0095 per gallon of refined fuel that goes to fund SPAR's activities. No general funds are provided to SPAR.

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REPRESENTATIVE MCKAY inquired about the difference between the Response Fund and the 470 Fund. He offered his understanding that the 470 Fund was established after the Exxon Valdez spill and has millions of dollars in and it and has rarely been used.

COMMISSIONER BRUNE responded that there are two funds: the Prevention Account, which is funded by the \$0.04 crude oil production surcharge and the \$0.0095 refined fuel surcharge; and the 470 Fund, or Response Account, which is funded by a \$0.01 surcharge per barrel and is used on a very regular basis. That \$0.01 per barrel production surcharge for the Response Account is subject to shutting off once the [Response Account] reaches \$50 million. Today [the Response Account] in unallocated amounts is around \$30 million, so that \$0.01 surcharge will continue to go into the Response Account until it reaches \$50 million. That account is used for the initial work that the DEC team has to do in responding to oil or other spills, and it needs to be that amount so DEC can mobilize a team in the event a large spill happens. It is also used when trucks tip over, or houses have spills from their buried underground storage tanks, or other kinds of spills. The department can access the Response Account to address a spill without legislative approval, but it does require the DEC commissioner's approval, and DEC informs the legislature. The department has a statutory responsibility to cost recover, and therefore DEC must go after the individuals that created the spill. So, DEC spends the upfront money to clean up the spill and then goes after the individuals to recover that amount. He said twice in the last five years the legislature has appropriated from the Response Account, the 470 Fund: the \$9.4 million referenced earlier for PFAS, and about \$5 million to move materials from the Wrangell dump to a Lower 48 landfill. Had those amounts not been appropriated, the Response Account would be around \$45 million

rather than the current \$30 million, so it is used on a regular basis.

REPRESENTATIVE MCKAY offered his understanding that the 470 Fund, originally established for oil spills, is being used for just about every spill imaginable.

COMMISSIONER BRUNE answered yes, that is what the statutory language allows DEC to do. He said he is able to do no more and no less than what the legislature gives him the authority to do.

[1:48:41 PM](#)

COMMISSIONER BRUNE returned to the presentation. Regarding the graph on slide 16 titled "Prevention Account Deficit," he related that when he became commissioner, he was told that in four years the fund was not sustainable, and 30 positions would have to be cut. To provide a soft landing, seven positions were cut last year and this year the proposal is to cut five positions from Spill Prevention and Response (SPAR). Concurrently, DEC is looking at ways to increase the funding for SPAR. Of course the department wants more production, and more production will lead to more money for SPAR. Secondly, DEC is supporting the proposal in Representative Josephson's bill to increase the refined fuel surcharge from 0.95 cents to 1.5 cents. The department is looking to bring sustainability to the program going forward.

COMMISSIONER BRUNE turned to slide 17, titled "Water: Supporting Primacy Through APDES [Alaska Pollutant Discharge Elimination Systems]." He said DEC has primacy of water under provisions of the Clean Water Act, which delegated that authority to the state, and the legislature gave DEC that authority in 2007 or 2008. The department is responsible for ensuring that the requirements of the Clean Water Act are met. Last year the legislature approved four additional positions within DEC to make sure the department was doing the inspections and oversight and not the EPA, although the EPA has the ability to come in because it has the ultimate oversight.

COMMISSIONER BRUNE addressed slide 18, titled "Village Safe Water." He said this is very important during COVID. Thirty communities in Alaska are not served, meaning these communities are still using honey buckets. The Village Safe Water Program receives significant contributions from the Alaska State Legislature and the federal government for improving water and wastewater treatment opportunities. The average cost of

bringing first-time pipe service to those systems is between \$350,000 and \$750,000 per home, so it is a significant economic consideration. The department has remote maintenance workers, five of whom work for DEC and twelve who are funded by DEC with the regional health corporations. These are the workers out there at 30 degrees below zero trying to restore wastewater service when pipes are frozen.

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COMMISSIONER BRUNE proceeded to slide 19, titled "Integrated Report and KTN Beaches." He specified that for the last several years DEC has been testing beaches in a number of communities, but Ketchikan specifically. This year 11 of the beaches in Ketchikan will be listed as impaired water bodies. The testing is reported weekly on DEC's social media pages. The absence of cruise ships this past year was a great opportunity to see what the ambient impact would be without cruise ships and whether there are impacts to high fecal coliform bacteria levels in these communities. It was found that the Ketchikan beaches were being impacted even in the absence of cruise ships. That report just came out and is currently open for comment. Those water bodies will be put on the impaired water body list going forward.

COMMISSIONER BRUNE spoke to slide 20, titled "Tier 3 Water Bodies," a policy put in place by the previous administration. He said this policy requires that any proposal for a Tier 3 designation be referred to the legislature to act on. The policy remains in effect today, and while a bill has not been proposed this session to codify that, there is a lot of interest in this issue. Such legislation would ensure that that power rests with the legislature, not the executive branch, because in a future administration an individual such as him, the commissioner, can change it just like that. [This administration's] view is that designating Tier 3 water bodies is a responsibility of the legislature.

COMMISSIONER BRUNE displayed slide 21, titled "Transboundary Bilateral Working Group." He explained that the focus is on the impact of previous mines and potential future mines on Alaska water bodies. Testing of water bodies in Southeast Alaska was recently done to see if there has been any historic impacts and to establish a baseline understanding of what the water quality is today if any future mines are built. That report was recently released, he continued, and there haven't been any historic impacts. Alaska's three members of the Bilateral

Working Group are himself, Commissioner Corri Feige [Department of Natural Resources (DNR)], Commissioner Doug Vincent-Lang [Alaska Department of Fish and Game (ADF&G)].

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REPRESENTATIVE HANNAN inquired about the ongoing commitment to continue gathering data as British Columbia either develops or continues to let its historic mine sites degrade without regular monitoring on the British Columbia side.

COMMISSIONER BRUNE replied that DEC wants to ensure it is emphasizing its limited state dollars to find data that will help the department in the future. The U.S. Geological Survey (USGS), he said, has appropriated about \$3 million per year to continue these studies in Southeast Alaska, so DEC felt it inappropriate to duplicate state funding for this ongoing research. In addition, the Canadian government is collecting data upstream on its lands. He and the other two commissioners in the Bilateral Working Group have been pushing the Canadian and British Columbia governments very hard to ensure that the Tulsequah Chief Mine gets cleaned up. The cleanup plan will be unveiled soon, and the mine will be cleaned up very soon.

REPRESENTATIVE HANNAN asked what the lag time is between the USGS gathering the data and the ability of Alaska to use and act on it. She related that the concern she is hearing from her communities located in those transboundary waters is that the federal agency is collecting data but it's a year or two before Alaska sees that data and can act on it, and for fishing communities that's too long.

COMMISSIONER BRUNE responded that he doesn't know the specific answer but the commitment for transparency exists across the federal agencies, so when the data is available it will be made available to the public. New mines are being deliberated, he continued, but currently no new mines are under construction, and that type of data is often shared from the mine sites. The government of Canada has been transparent and willing to share the data as new projects come to fruition.

1:58:27 PM

COMMISSIONER BRUNE resumed the presentation. He moved to slide 22, titled "Commercial Passenger Vessels Environmental Oversight," and reported that roughly \$5 per head comes from the cruise ships, of which \$4 per berth has been used to fund ocean

rangers. Over the last 10-15 years, more than \$40 million has been spent on ocean rangers, and only six notices of violation came out of that. The department believes there are more efficient and appropriate ways for DEC to be regulating that industry. The department will be coming forward with a bill to do that, similar to the bill introduced last year that focused on using technology where appropriate, using DEC staff to do announced and unannounced inspections, and to use some of the money that was used for ocean rangers to upgrade the shoreside wastewater treatment plants that are being used by over one million cruise ship visitors every year. The department has the authority to regulate that industry as it is. The department plans on doing early season inspections of each of the ships as they enter into Alaska waters. [Commissioner Brune turned to slide 23] and pointed out that with the lack of a cruise industry this past year and possibly this year, there is the potential loss of \$15 million in revenue to the Commercial Passenger Vessels Environmental Oversight (CPVEC) account. He said the legislature appropriated \$4.5 million last year to ready the communities in Southeast Alaska for accepting cruise ship visitors because of COVID. This season remains uncertain.

COMMISSIONER BRUNE proceeded to slide 24, titled "Ambient Water Quality Testing." He noted that last week committee members received a DEC report regarding the water quality testing done during the absence of cruise ships [from June-September 2020]. Sixteen ports were studied from Nome to Ketchikan. During this absence of cruise ships, DEC also conducted ambient water quality testing [in 20 sites] along major shipping and traffic lanes throughout Southeast Alaska. The department will use [the 2020 data] as a baseline for when cruise ships return.

[2:02:06 PM](#)

COMMISSIONER BRUNE displayed slide 25, titled "Holding Everyone to the Same High Standards." He said DEC wants to hold everyone to the same environmental standards, not just the big industries in the state. For example, cruise ships are allowed a maximum of 40 fecal coliform bacteria per 100 milliliters of discharge, while one local wastewater discharge facility has the ability to discharge up to 1.5 million fecal coliform bacteria per 100 milliliters of water. This is one reason why DEC wants to focus on upgrading the shoreside wastewater treatment plants.

REPRESENTATIVE SCHRAGE, in regard to the maximum allowance of 1.5 million fecal coliform bacteria per 100 milliliters, asked

what the average discharge is and whether any shoreside treatment facilities actually approach that 1.5 million limit.

COMMISSIONER BRUNE confirmed that DEC definitely sees levels that high, and advised that it will require significant capital improvements to decrease that amount. Oftentimes, he continued, it is seen that regulated entities will not do any more than they have to in their permits, and that is often what drives the economic considerations.

[2:04:19 PM](#)

MS. POKON provided a few highlights regarding the Division of Environmental Health. She displayed slide 26, titled "Multi-Agency Response to Invasive Species," and explained that DEC created general pesticide permits to allow ADF&G and DNR to more rapidly respond when an invasive species is found. The general permit allows ADF&G and DNR to start work within 15 days rather than the 70 days that it previously took.

MS. POKON spoke to slide 27, titled "Improving Food Safety Complaint Process - Yuck Line." She specified that DEC worked with the Department of Health and Social Services and the Municipality of Anchorage to implement a phone number that the public can call with concerns; for example, concern about something seen at a restaurant.

MS. POKON addressed slide 28, titled "Environmental Health Laboratory Capacity." She related that the Environmental Health Laboratory prioritizes the laboratory needs for the regulatory programs, including dairy safety, shellfish, food safety, animal health, and drinking water. She noted that in response to Representative Rauscher, the program name of dairy sanitization was changed to dairy safety. Any excess lab capacity will be put toward fish tissue monitoring, Food and Drug Administration (FDA) cooperative agreements, shellfish sampling for inorganic arsenic or paralytic shellfish poisoning (PSP) research, and audit/certification of marijuana testing labs.

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COMMISSIONER BRUNE concluded the presentation with slide 29, titled "Telling Our Story." He offered his appreciation to the committee for allowing DEC to come tell its story about why the department matters and what it does. He said any input from legislators or constituents on how to improve is appreciated. The department has a social media presence on Facebook and

Twitter where DEC constantly tells the story of the great work being done by its approximately 470 employees to protect human health and the environment and to partner with the regulated community to ensure Alaska has an economy and to responsibly develop its resources.

REPRESENTATIVE RAUSCHER thanked the commissioner for the work he is doing and for working with the legislature.

CHAIR PATKOTAK offered his appreciation to Commissioner Brune.

HJR 12-ENDORSING ANWR LEASING; RELATED ISSUES

[2:10:00 PM](#)

CHAIR PATKOTAK announced that the final order of business would be HJR 12 HOUSE JOINT RESOLUTION NO. 12, "Urging the United States Department of the Interior, Bureau of Land Management, to honor the recent lease sales and proceed with permitting in the Arctic National Wildlife Refuge; urging the President of the United States to defend the 2020 Record of Decision approving the Coastal Plain Oil and Gas Leasing Program in the Arctic National Wildlife Refuge; opposing designation of the Arctic National Wildlife Refuge as a National Monument; and urging the Alaska delegation in Congress to uphold sec. 20001 of the Tax Cuts and Jobs Act of 2017."

[2:10:40 PM](#)

REPRESENTATIVE RAUSCHER, as prime sponsor of HJR 12, explained the resolution requests continuation of the oil and gas development program in the Arctic National Wildlife Refuge (ANWR) that was recently put on hold. When the Alaska National Interest Lands Conservation Act (ANILCA) was signed into law in 1980, he said, Congress itself reserved the right to permit oil and gas development and production on the Coastal Plain ["1002 Area"] of the refuge. Within days of the first lease sale in January 2021 President Biden placed the entire leasing and development program on hold, and HJR 12 urges a reversal of that action.

REPRESENTATIVE RAUSCHER related that the resolution implores the U.S. Department of Interior Bureau of Land Management (BLM) to honor the recent Coastal Plain oil and gas leasing program and to proceed with permitting in the 1002 Area of the refuge. The resolution also asks President Biden's administration to defend the BLM's 2020 Record of Decision approving the Coastal Plain

oil and gas leasing. The resolution asks that when BLM is considering and taking action on the leasing program that it take into account the long history of safe and responsible oil and gas development on the North Slope, as well as the enormous benefits that the development in the refuge could bring to North Slope residents, the state of Alaska, and the nation.

REPRESENTATIVE RAUSCHER said HJR 12 also states that the Alaska State Legislature opposes any effort to employ the Antiquities Act to designate the Arctic National Wildlife Refuge as a national monument. It implores President Biden to take an approach of consultation and engagement in these decisions that affect the state, local communities, Alaska Native tribes and entities, and residents. The resolution urges President Biden to immediately rescind the provisions of Executive Order 13990 pertaining to the Arctic National Wildlife Refuge.

REPRESENTATIVE RAUSCHER noted that while the Arctic National Wildlife Refuge isn't in his district, he worked on the resolution's language with Chair Patkotak whose district does include the refuge and the North Slope. He stressed that he believes this is a state's rights issue as well as a jobs issue. Development within the refuge could create tens of thousands of jobs across the country and thousands of jobs within Alaska.

[2:15:02 PM](#)

CHAIR PATKOTAK opened invited testimony.

[2:15:17 PM](#)

KARA MORIARTY, President and CEO, Alaska Oil and Gas Association (AOGA), testified in support of HJR 12. She paraphrased from the following written statement [original punctuation provided]:

AOGA is the professional trade association for the industry and we appreciate the opportunity to testify today on House Joint Resolution 12 (HJR12). This resolution provides specific recommendations that honors the commitment of ANILCA and the will of the majority of Alaskans who support the safe development of the Coastal Plain of the Arctic National Wildlife Refuge (ANWR).

The sponsor did a very nice job summarizing the specific actions that need to continue to occur to

keeping ANWR as a viable option for long-term development of our oil and gas resources.

The Arctic National Refuge was expanded from 9 million acres to over 19 million acres with the passage of ANILCA in 1980, with over 90 [percent] of the region permanently protected as wilderness. However, section 1002 of ANILCA specifically states that a small portion of the Coastal Plain would be set aside for future oil and gas development. There was always the intent that oil and gas could occur one day. It was part of one of the many compromises of ANILCA.

The Tax Act of 2017, referenced in HJR12, does limit development to 2,000 acres. To give you perspective, the Dulles International Airport in DC is 12,000 acres, and right here in Alaska, the Ted Stevens International Airport is just over 4,600 acres.

So, why are even discussing more oil and gas development down the road? The U.S. Energy Information Administration (EIA) predicts that, by 2050, petroleum and other liquids will continue to supply over 50 [percent] of the energy and fuels in the United States, and the International Energy Administration (IEA) has a similar prediction for global demand.

So, if the demand for oil and gas is going to be there at least 30 years from now, why the Coastal Plain? The federal government has described the potential 10-11 billion barrels of oil recovery from the 1002 Area as the most significant oil potential in the United States. And while market conditions and regulatory risk that currently exist were the likely causes of the lack of interest from our members in the 2021 January lease sale, the fact remains that the Coastal Plain is still the largest onshore play on federal land in the entire country. And it is a long-term play. Just because companies did not demonstrate interest two months ago, does not mean it is not an important component of energy supply for years to come.

In fact, in 2018 the EIA estimated that production from the Coastal Plain, if it were to occur from 2031-2050, could reduce U.S. expenditures on crude oil and petroleum products imports by almost \$600 billion.

One of the last things I would like to stress, and would like to stress the most, is that Alaska's oil and gas industry has a history of safe, effective, and environmentally responsible development of the Arctic spanning over five decades. Development today does not occur the same way as it did 40 years ago. In the 1970's, a typical oil pad would be about 65 acres and the drilling areas underground would extend about three miles. Today, the surface area has shrunk to about 12-14 acres, but with the advancement of technologies and cutting-edge drilling techniques that are often pioneered in Alaska, the drilling now extends to up to 55 miles underground. But, with the advancement of a brand-new drilling rig owned by Alaska Native Corporation Doyon, commonly referred to as "The Beast", Alaska is now home to the largest extended reach drilling rig in North America. Now, drilling can expand another 100 miles, for a total of 154 square miles underground while still maintaining only about a 14-acre gravel pad on the surface.

Eventual development of the Coastal Plain will be safe, be good for the country, and will continue to build upon the jobs and revenues the industry has contributed to the State and the local area for decades.

[2:21:00 PM](#)

TOM WALSH, Past President (2020), Alaska Support Industry Alliance, testified in support of HJR 12. He paraphrased from the following written statement [original punctuation provided]:

Thank you for the opportunity to provide testimony on this resolution today on behalf of the Alaska Support Industry Alliance, an organization of which I am the immediate Past President. The Alliance is an Alaskan Trade Organization whose mission is "To promote responsible exploration, development and production of oil, gas and mineral resources for the benefit of all Alaskans."

The Alliance has a membership of 500+ businesses and individuals, who in total employ over 30,000 workers. Alliance education and advocacy efforts focus on our mission by providing substantiated, credible and

valuable information for our members, the public, and decision-makers, such as yourselves. I am honored to inform you today that the subject resolution is very much aligned with the Alliance mission and objectives, and I appreciate this opportunity to outline some of the significant areas of alignment.

The resolution is comprehensive in its characterization of the many reasons why exploration and development of ANWR are important to Alaskans and the citizens of the United States, and supports the fact that the activity has been congressionally authorized, and is supported broadly by Alaskans. In fact, it is critical to Alaskans, given the declining oil production and associated revenue stream to the State. The text of the resolution covers all of the key areas aligned with the Alliance mission, but it would require more than my allocated 5 minutes just to read the text. Therefore, I will summarize a few key points in my testimony.

Revenue

As we all know, the State of Alaska is extremely dependent on revenue gained from taxes and royalty on oil production from our declining asset base. Natural decline of oil production has been aggressively mitigated by our industry partners through massive drilling, enhanced recovery, and deployment of innovative and evolving technology. The cost of producing a barrel of oil in Alaska has always been challenging in comparison to most other hydrocarbon provinces, although our giant field size has provided some relief through economies of scale. As our giant fields decline, and overall production rate diminishes, those economies of scale no longer apply. Simply put, we need more oil production to sustain commercial viability. Successful exploration and production from ANWR can play a key role in extending oil throughput to TAPS [Trans-Alaska Pipeline System], and in supporting Alaska's economic engine.

Energy Independence

The United States has remarkably reached a point of energy independence, largely based on a resurgence of oil and gas production in the Lower 48 shale basins.

This energy independence is fragile and may prove to be fleeting in light of economic and sociopolitical changes[.] The fact remains that our productivity, economic health, and prosperity as a nation rely on affordable energy. There is no doubt that climate change impacts will require a paradigm shift in our energy production and consumption, but there is no light switch to turn on renewable energy. A logical and structured transition from carbon-based fuels to carbon-neutral will require a logical and structured effort to reduce carbon release while we transition to the next source of energy. Alaska can play a major role in this transition, based on our vast natural gas resources, and our carbon sequestration opportunities in depleted subsurface reservoirs. Oil production at ANWR could help as a bridge to access to our natural gas resources, and eventually to gas commercialization of natural gas at ANWR and across the North Slope. The U.S. Geological Survey has estimated potential reserves of nearly 8 billion barrels of oil, and 7 TCF [trillion cubic feet] of gas in the subsurface of the Coastal Plain of ANWR.

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Jobs

Alaska and the nation are suffering from massive unemployment due to the pandemic, magnified in Alaska by the collapse in oil price. We are just now seeing some recovery in oil price, but we all know how reliable that trend has proven to be. We have yet to see recovery in energy sector jobs in Alaska, and Alliance member companies and their employees are impacted particularly severely. Jobs associated with exploration and development of ANWR resources will have significant positive impact for our members, and indeed the benefit to the State of Alaska and the U.S. jobs market will be significant, as evidenced by the activity associated with oil development across the North Slope of Alaska [historically]. We desperately need this jobs engine to help our return to a healthy employment environment.

Environmental Stewardship

Alliance companies have helped the oil industry in Alaska to be leaders in safe and environmentally sound exploration and development of oil and gas on a global level. We strongly believe that Alaskans can explore for, develop, and produce oil and gas in a more prudent, safe and environmentally sensitive manner than anyone in the world. The Alliance is working to brand this record of safety and environmentally sensitive development on behalf of our industry in Alaska, and the industry has long recognized Alaska as a training ground for their global operations in minimizing impact and footprint associated with oilfield development. We can develop and produce oil and gas from ANWR's Coastal Plain with minimal impact, and with a tiny footprint. We have proved this across the North Slope of Alaska.

Access to Resources

A fundamental premise of the resolution is that Alaska and Alaskans have a right to benefit from our resource wealth, but we can't benefit from what we cannot access. Alaska is a resource state, from our significant mineral resources to our abundant fisheries, our spectacular natural beauty, and our oil and gas opportunities. We need to develop a more diverse economy, no doubt, but we rely almost exclusively on extraction of our natural resources to drive our economy, and we have since before Statehood. It is rational for Alaskans to expect to benefit from the natural resources with which we've been blessed, and it is reasonable for us to have access to those resources and associated jobs and revenue whether on state, federal or private lands. This resolution makes a clear case for that access. As stated earlier, this resolution is aligned with Alliance mission and objectives, and I believe submittal of this resolution to the identified parties is not only appropriate but required to help make Alaskan's voices heard in this critical time.

[2:28:12 PM](#)

KATI CAPOZZI, President & CEO, Alaska Chamber of Commerce, testified in support of HJR 12. She spoke as follows:

The Alaska Chamber was founded in 1953 and our mission is to advocate for a healthy business environment in Alaska. The chamber has more than 700 members and represents businesses of all sizes and industries from across the state.

The Alaska Chamber thanks you for introducing HJR 12 and enthusiastically supports HJR 12. Our top federal priority at the chamber for years has been to support oil and gas exploration and development in Alaska's federal areas and to encourage and support the Alaska Legislature to strongly advocate for responsible development of these valuable resources.

Our reason for prioritizing this issue is simple. Developing the 1002 Area of ANWR would provide incredible opportunity for all Alaskans, especially economic opportunities. Responsible development in the 1002 Area would provide an invaluable boost to America's energy security and bring much needed economic growth potential to Alaska at a time when we need it most. Our iconic pipeline also desperately needs new oil the ANWR development could provide.

ANWR has incredible potential for oil and gas - more than 10 billion barrels by some government estimates. For reference, the Trans-Alaska Pipeline has moved just more than 17 billion barrels of oil since startup more than 40 years ago. So the resource potential in ANWR is truly incredible. A project the size and scope of ANWR would create thousands of high-paying jobs for Alaskans. In addition, with the Point Thomson development fully operational just to the west of ANWR, the 1002 Area is closer than ever to existing infrastructure and could feed into TAPS with a much smaller footprint than in years past.

The Alaska Chamber was pleased to see potential development of ANWR making historic progress in recent years. However, with a new administration in Washington, DC, ANWR's future is less certain. We appreciate and applaud the joint resolution's sponsors for sending a strong bi-partisan signal of support for maintaining that momentum and hope our collective Alaskan voices make a difference to federal policy makers.

Last but not least, the Alaska Chamber's statewide scientific polling of Alaskans attitudes about ANWR continually show the vast majority of Alaskans support opening a small portion of ANWR to oil and gas development. Two-thirds of Alaskans support it and they have for decades.

We thank you for introducing a resolution that stands to improve the business climate and to create jobs here in Alaska at a time when we need it more than ever, and we offer our full support.

[2:31:04 PM](#)

MARLEANNA HALL, Executive Director, Resource Development Council for Alaska (RDC), testified in support of HJR 12. She said RDC is a statewide business association comprised of individuals and companies from Alaska's oil and gas, fishing, forestry, mining, and tourism industries. She continued as follows:

Our membership includes all 12 landowning Alaska Native corporations, local communities, organized labor, industry support firms, and thousands of Alaskans supporting responsible development of Alaska's natural resources.

I am here today to express strong support for HJR 12 as it supports the oil and gas lease program that will allow limited activity within the non-wilderness portion of the Coastal Plain of ANWR.

... This legislation well describes measures to properly address ANILCA and the intent to preserve areas in the Coastal Plain for oil and gas development. Further, it is important that we allow for the eventual development, production, and transportation of oil and gas in and from the Coastal Plain that would meet the requirements established by Congress.

Alaska depends on the responsible development of its natural resources to expand and support our economy. Alaskans statewide have long supported oil and gas exploration and development in the Coastal Plain. ... Polling has consistently shown 70 percent of Alaskans in support of development of energy resources beneath the 1002 Area. In addition, local residents and the

Inupiat people who actually live adjacent to the 1002 Area have also demonstrated support for development.

However, we recognize there are special interests that are opposed to any further development of America's energy resources. They advocate for leaving oil in the ground, but even in the era of climate change reality requires continued development of America's oil and gas resources. While ... renewable and alternative energy will make up a growing part of U.S. energy portfolio, it will not significantly reduce our reliance on oil in the near or mid term. We don't deny renewable energy as a growing part of America's portfolio, but it is still only projected to account for a minority of American energy production in 2040.

... New oil and gas production will be required to power America's energy and can serve as a bridge until renewable energy becomes a more dominant energy source decades into the future. Every barrel of oil not developed in Alaska or America will simply be imported from overseas where environmental regulations are often weaker. To further reduce our reliance on foreign sources of oil, America must continue to pursue responsible oil and gas development onshore and offshore Alaska. New production would provide a bridge to the alternative and renewable energy sources of the future.

Oil development on a fraction of the Coastal Plain would create thousands of jobs nationwide and in Alaska, generate billions of dollars in government revenues for all public services, ... and further improve energy security for decades into the future. Not only does Alaska need oil and gas development on the Coastal Plain, but the rest of the United States would benefit from it too. Let's fuel America's future with ANWR.

[2:35:07 PM](#)

MATTHEW REXFORD, President, Kaktovik Inupiat Corporation,, Tribal Administrator,, Native Village of Kaktovik, testified in support of HJR 12. He paraphrased from the following written statement [original punctuation provided]:

My name is Matthew Rexford and I represent the community of Kaktovik, the only community inside the Arctic National Wildlife Refuge, known as ANWR (also known and referred to as the Refuge), but more importantly Kaktovik is the only community inside the Coastal Plain area of ANWR - the area covered by your Resolution. In many ways, I find it frustrating that ANWR is still an issue of public debate - my community has supported oil and gas leasing in the Coastal Plain for many decades and it was not until the Tax Cuts and Jobs Act of 2017 that we were able to realize our vision. I have to admit that I am extremely frustrated that it took seventeen paragraphs before the Kaktovikmiut are even mentioned in HJR No. 12 and that caribou are mentioned before the people. You are speaking of my homeland, our children have been raised in this region and our ancestors are buried here. It seems that the Kaktovikmiut, my people, continue to be overlooked between the arguments over oil and gas and Caribou which in many national discussions we have been erased- yet ANWR would not have been opened without our efforts.

Despite my frustration, I am speaking today to urge you to support HJR No. 12 and to state that by doing so you will support the Kaktovikmiut in the farthest northeast corner of the State. We oppose any attempts to designate ANWR as a National Monument. I will keep my comments brief because our list of grievances is long.

Our community has continually been caught between federal actions that impact our ability to realize our visions of a vibrant and sustainable future. The Alaska Native Claims Settlement Act of 1974 (ANCSA) was supposed to allow our Kaktovik Iñupiat Corporation (KIC) the economic freedoms to develop its lands to benefit our community. However, ANCSA was followed by the passage of the Alaska National Interest Lands Conservation Act of [1980] (ANILCA) which compromised KIC's ability to access and develop its lands. Kaktovik did not want to be an island in the middle of a Refuge but it happened anyway. Having lived in the Refuge since ANILCA I am here to tell you that life has been difficult, and the federal management agency has not performed its duty to our community as

required. We would not expect that to change if ANWR was designated a national monument.

By example, in February 2020, our school burned to the ground. We immediately applied for an overland permit to move temporary school modules across the coastal plain - as an in-holder of the Refuge we have rights under ANILCA that were not provided to us. As a last minute stop-gap measure we were forced to move the modules over the sea-ice to our community which added significant risk to the transport operation. Representative Patkotak, you understand the challenge that we faced as a community to achieve moving modules before we lost the sea ice route. This represents a failure by the Refuge land management agency to acknowledge our rights.

We support oil and gas development not only on our lands but on the adjacent federal lands to provide for economic opportunities to our people through jobs and new business development. Our tribe, corporation, and city government all actively participated not only in the public process, but also in government-to-government consultation, of the Environmental Impact Statement (EIS) performed the Bureau of Land Management (BLM) development and supported full leasing of the entire Coastal Plain with the mitigations and stipulation presented in the Record of Decision. Potential development of the coastal plain is not only important for Kaktovik's economy, but also critical for the long-term economic sustainability of our municipal government, the North Slope Borough (NSB). Without the services the NSB provides Kaktovik, and the other seven communities within the North Slope of Alaska would still be living in third-world conditions. The life expectancy of the Iñupiat has increased 13-years since development of oil within our region due to the borough providing for clean water and sanitation in our communities. We can not turn the clock back - we are part of the United States and demand first world amenities and until we find something else to provide for our health and economic well-being we are fundamentally a people dependent on resource development. We have been able to come to terms with that paradox while at the same time providing appropriate protections to our

subsistence resources and the lands and waters they are dependent on.

We recognize that exploration is the first phase of opportunity for our community -I am sure that you have seen in the press last week surrounding our inability to receive permits to perform a low-impact seismic program over our lands. Seismic is an important step to determine whether there are potential drillable targets for oil and gas. Due to our location, this was an important project to identify local natural gas targets that could be developed as a long-term energy resource and move our community away from its reliance of diesel and our only energy source. However, again we were thwarted by the federal government to progress toward a sustainable future.

Again, I request that you support HJR No. 12. I will also leave you with this request and that is to not forget about the people, my people, in the future. Thank you for your time and invitation.

[2:41:33 PM](#)

CHAIR PATKOTAK held over HJR 12 and stated that public testimony would be taken at the resolution's next hearing.

[2:42:46 PM](#)

ADJOURNMENT

There being no further business before the committee, the House Resources Standing Committee meeting was adjourned at 2:43 p.m.